

AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE JULY 2, 2013

AMENDED IN SENATE JUNE 6, 2013

AMENDED IN ASSEMBLY APRIL 18, 2013

AMENDED IN ASSEMBLY APRIL 9, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 411

Introduced by Assembly Member Pan

February 15, 2013

An act to add Section 14029.92 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 411, as amended, Pan. Medi-Cal: performance measures.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Under existing law, one of the methods by which Medi-Cal services are provided is pursuant to contracts with managed care plans. *Existing federal law generally requires that a state that contracts with certain managed care plans ensure that an external quality review is performed by an External Quality Review Organization (EQRO).*

This bill would ~~require~~ *require, when the department enters into a new contract with an EQRO*, all Medi-Cal managed care plans to link

individual level data collected as a part of analyzing their Healthcare Effectiveness Data and Information Set (HEDIS) measures, or their External Accountability Set (EAS) performance measure equivalent, to patient identifiers in a manner that allows for an analysis of disparities in medical treatment by certain characteristics *characteristics, including geographic region and primary language*, and to submit that data to the department annually. The department would be required to make that individual level data available for research purposes, as specified. ~~The bill would further require the department to stratify, in the aggregate, that data also require, when the department enters into a new contract with an EQRO, that the department either include in the terms of the new contract a requirement that, upon approval of the contract, the EQRO stratify all patient-specific HEDIS measures, or their EAS performance measure equivalent, in the aggregate, by certain characteristics and to develop a report, which would be published characteristics, including geographic region and primary language, or that the department, upon approval of the contract, stratify those same measures, in the aggregate, by those same characteristics. The bill would require the department to publicly report this analysis on the department's Internet Web site. The bill would also require the department to identify, based upon that data, any disparities in care provided to all Medi-Cal managed care enrollees on the basis of those characteristics, and notify Medi-Cal managed care plans of any disparities identified. If disparities in care are identified, the bill would require each Medi-Cal managed care plan to analyze its internal data to determine if that disparity in care is present among Medi-Cal managed care enrolled in its plan, and require the Medi-Cal managed care plan to develop and implement a quality improvement plan, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14029.92 is added to the Welfare and
- 2 Institutions Code, to read:
- 3 14029.92. (a) ~~The~~ *When the department enters into a new*
- 4 *contract with an External Quality Review Organization (EQRO),*
- 5 *the department shall require all Medi-Cal managed care plans,*
- 6 *including county organized health systems and plans contracting*
- 7 *with the department to provide services pursuant to two-plan and*

geographic managed care models, to link all individual level data collected as a part of analyzing their Healthcare Effectiveness Data and Information Set (HEDIS) measures, or their External Accountability Set (EAS) performance measure equivalent, to patient identifiers in a manner that allows for an analysis of disparities in medical treatment by geographic region, primary language, race, ethnicity, gender, and, to the extent data is available, by sexual orientation and gender identity, and to provide that information to the department annually. The department shall make this data available, in a format that complies with the Health Insurance Portability and Accountability Act of 1996, for research purposes through a data use or business associate agreement.

~~(b) The department shall stratify, in the aggregate, (1) When the department enters into a new contract with an EQRO, the department shall do either of the following:~~

~~(A) Include in the terms of the new contract a requirement that, upon approval of the contract, the EQRO stratify all patient-specific HEDIS measures, or their EAS performance measure equivalent, from the plans described in subdivision (a) in the aggregate, by geographic region, primary language, race, ethnicity, gender, and, to the extent data is available, by sexual orientation and gender identity, in identity.~~

~~(B) Stratify, upon approval of the contract, all patient-specific HEDIS measures, or their EAS performance measure equivalent, in the aggregate, by geographic region, primary language, race, ethnicity, gender, and, to the extent data is available, by sexual orientation and gender identity.~~

~~(2) The stratification required pursuant to paragraph (1) shall be completed in order to identify disparities in the quality of care provided to Medi-Cal managed care enrollees based on those factors. The the factors identified in paragraph (1).~~

~~(3) The department shall develop a report with this data and publish the publicly report the analysis identified in paragraph (1) on the department's Internet Web site.~~

~~(e) (1) The department shall, based upon the data described in subdivision (b), identify disparities in care provided to all Medi-Cal managed care enrollees based upon the factors described in subdivision (b), and notify the plans described in subdivision (a) of any disparities identified.~~

1 ~~(2) If the department identifies any disparities, a plan described~~
2 ~~in subdivision (a) shall review its administrative data, including,~~
3 ~~but not limited to, encounter and claims data, to assess whether~~
4 ~~the disparities identified by the department exist among the~~
5 ~~Medi-Cal managed care enrollees enrolled in its plan.~~

6 ~~(3) If, upon review of its administrative data, a plan described~~
7 ~~in subdivision (a) identifies the same disparities identified by the~~
8 ~~department among the Medi-Cal managed care enrollees enrolled~~
9 ~~in its plan, the plan shall develop and implement a quality~~
10 ~~improvement plan to address those disparities. The quality~~
11 ~~improvement plan may be used to meet existing contractual~~
12 ~~requirements to develop and implement a quality improvement~~
13 ~~plan. A quality improvement plan developed and implemented~~
14 ~~pursuant to this paragraph shall be provided to the department and~~
15 ~~the department shall publish that plan on the department's Internet~~
16 ~~Web site.~~